

DAVID Y. IGE
Governor

SHAN S. TSUTSUI
Lt. Governor



State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

SCOTT E. ENRIGHT
Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

February 25, 2015
2:30 P.M.
CONFERENCE ROOM 325

HOUSE BILL NO. 1273 HD1
RELATING TO RENEWABLE ENERGY

Chairperson McKelvey and Members of the Committee:

Thank you for the opportunity to testify on House Bill 1273 HD1. The purpose of this measure is to authorize development of hydroelectric facilities on agricultural lands, provided the hydroelectric generating capacity is under a certain kilowatt amount, hydroelectric facilities comply with instream flow standards, are accessory to agricultural activities, and do not adversely impact or impede the use of agricultural land or the availability of use of water for irrigation on all parcels that are served by the ground water sources or streams for which hydroelectric facilities are considered. The Department of Agriculture supports the bill.

Energy costs can be a limiting factor that reduces the profitability of many of our local farmers and ranchers, especially given the high costs of energy in Hawaii compared with the rest of the nation. The Department is supportive of initiatives that are ancillary to bona fide agricultural operations that allow a farmer to remain financially viable and successful.

Thank you for the opportunity to present our testimony.



DAVID Y. IGE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
CARTY S. CHANG
Interim Chairperson**

**Before the House Committee on
CONSUMER PROTECTION & COMMERCE**

**Wednesday, February 25, 2015
2:30 PM
State Capitol, Conference Room 325**

**In consideration of
HOUSE BILL 1273, HOUSE DRAFT 1
RELATING TO RENEWABLE ENERGY**

House Bill 1273, House Draft 1 proposes to amend Chapter 205, Hawaii Revised Statutes (HRS), to include hydroelectric facilities as a permissible use on agricultural lands if the hydroelectric facilities are accessory to agricultural activities. **The Department of Land and Natural Resources (Department) offers the following comments.**

The proposed addition of paragraph (23)(A) under Section 205-4.5(a), HRS, recognizes the need for compliance with instream flow standards established by the Department's Commission on Water Resource Management. At a minimum, we recommend that the amendment clarify that compliance with both interim and permanent instream flow standards is required, as well as compliance with all applicable surface water permitting regulations. However, it may be better to more broadly state that compliance with the State Water Code, Chapter 174C, HRS, is required, which would include but not be limited to compliance with interim and permanent instream flow standards and surface water permitting regulations.

CARTY S. CHANG
INTERIM CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

DANIEL S. QUINN
INTERIM FIRST DEPUTY

W. ROY HARDY
ACTING DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Wednesday, February 25, 2015
2:30 p.m.
State Capitol, Conference Room 325

in consideration of
HB 1273, HD1
RELATING TO RENEWABLE ENERGY.

Chair McKelvey, Vice Chair Woodson, and Members of the Committee.

The Department of Business, Economic Development, and Tourism (DBEDT) offers comments on HB 1273, HD1, which includes hydroelectric facilities as a permissible use on agricultural lands if the hydroelectric facilities are accessory to agricultural activities.

Permitting hydropower facilities in State Agricultural Districts, as long as the hydropower facilities are accessory to agricultural activities, could support Hawaii's agricultural industry by providing clean energy at a fixed cost for on-site agricultural operations.

DBEDT defers to the Land Use Commission and the other appropriate agencies regarding the provisions of this measure impacting the permitting of hydropower facilities.

Thank you for the opportunity to offer these comments on HB 1273, HD1.

COUNTY COUNCIL

Mel Rapozo, Chair
Ross Kagawa, Vice Chair
Mason K. Chock
Gary L. Hooser
Arryl Kaneshiro
KipuKai Kuali'i
JoAnn A. Yukimura



OFFICE OF THE COUNTY CLERK

Ricky Watanabe, County Clerk
Jade K. Fountain-Tanigawa, Deputy County Clerk

Telephone (808) 241-4188
Fax (808) 241-6349
Email cokcouncil@kauai.gov

Council Services Division
4396 Rice Street, Suite 209
Līhu'e, Kaua'i, Hawai'i 96766

February 23, 2015

**TESTIMONY OF KIPUKAI KUALI'I
COUNCILMEMBER, KAUA'I COUNTY COUNCIL
ON
HB 1273, HD 1, RELATING TO RENEWABLE ENERGY
House Committee on Consumer Protection & Commerce
Wednesday, February 25, 2015
2:30 p.m.
Conference Room 325**

Dear Chair McKelvey and Members of the Committee:

Thank you for this opportunity to submit testimony in support of HB 1273, HD 1 Relating to Renewable Energy. My testimony is submitted in my capacity as the Economic Development & Intergovernmental Relations Committee Chair and as an individual Councilmember on the Kaua'i County Council.

HB 1273, HD 1 includes hydroelectric facilities that generate up to an unspecified limit of kilowatts of electricity as a permissible use on agricultural lands if the hydroelectric facilities are accessory to agricultural activities and if certain other conditions are met. As the Economic Development & Intergovernmental Relations Committee Chair of the Kaua'i County Council, I support renewable energy efforts that will help to meet our island and State's energy goals without displacing farming and ranching activities from agricultural lands. This Bill will allow hydroelectric activities on agricultural lands as long as it is accessory to agricultural activities, which remain as the main priority. This Bill will also provide for clean, renewable energy for the agricultural operations it is intended to support.

For the reasons stated above, I strongly encourage the House Committee Consumer Protection & Commerce to support this measure. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188.

Sincerely,

KIPUKAI KUALI'I
Councilmember, Kaua'i County Council



P.O. Box 253, Kunia, Hawai'i 96759
Phone: (808) 848-2074; Fax: (808) 848-1921
e-mail info@hfbf.org; www.hfbf.org

February 25, 2015

HEARING BEFORE THE
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

TESTIMONY ON HB 1273, HD 1
RELATING TO RENEWABLE ENERGY

Room 325
2:30 PM

Aloha Chair McKelvey, Vice Chair Woodson, and Members of the Committee:

I am Christopher Manfredi, President of the Hawaii Farm Bureau Federation (HFB). Organized since 1948, the HFBF is comprised of 1,932 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interests of our diverse agricultural community.

HFB supports the intent of HB 1273, HD 1, which includes hydroelectric facilities as a permissible use on agricultural lands if the hydroelectric facilities are accessory to agricultural activities.

Renewable energy is important to the State's energy goals. Hydroelectric facilities can serve as a feasible alternative energy source to meet such goals. That being said, viable farming and ranching activities on agricultural lands must be maintained in order to retain agricultural lands for future generations. Lands capable of supporting viable agricultural activities should be protected and kept in agriculture. Hydroelectric facilities can provide the State with alternative energy options, as long as it is secondary to agricultural activities on agricultural lands.

Thank you for this opportunity to provide testimony on this measure.

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 24, 2015 7:43 AM
To: CPCtestimony
Cc: robbie@clnhawaii.org
Subject: Submitted testimony for HB1273 on Feb 25, 2015 14:30PM
Attachments: House CPC on HB 1273.docx

HB1273

Submitted on: 2/24/2015

Testimony for CPC on Feb 25, 2015 14:30PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Robbie Alm	Individual	Support	Yes

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

TESTMONY ON HOUSE BILL NO. 1273 RELATING TO RENEWABLE ENERGY

Chair McKelvey and Members of the Consumer Protection and
Commerce Committee:

This bill is intended to facilitate hydroelectric facilities on agricultural lands. Hydroelectric power has a substantial number of advantages for agriculture as well as for Hawaii generally. These facilities provide electric power which can either be used on the lands themselves in lieu of paying for utilities for power or in appropriate cases, sold to the utilities. In either case agriculture directly benefits from a resource which is already present and available. In addition, Hawaii benefits from a further reduction in the use of imported fossil fuels.

The agricultural water systems in the State are critical to the future of agriculture in Hawaii. No water and no systems to get the water to the fields means no agriculture in a lot of cases. And yet there is often not enough income associated with these systems to adequately maintain them. Hydropower represents a significant opportunity to provide support for these systems.

There are two suggestions to offer to the current draft.

The first is to generalize the compliance with the “instream flow standards” on page 19, lines 11 and 12, to “Comply with the State Water Code, Chapter 174C” as the interim standards are one step in a water regulatory process and activities here need to comply with all of the requirements.

The second is to address the blank in the bill related to the size of these facilities. There may not need to be such a limitation, as Hawaii’s rivers and streams are not large enough to create the kinds of large scale hydro projects which we see on the mainland, like the Hoover Dam. If one is imposed, then perhaps a limit of 25 megawatts which is the largest discussed to my knowledge. The challenge with even that number is that the possibilities for “pumped storage hydro” where you use excess energy from other renewable power facilities such as solar and pump the water up a ditch system and then let it flow back in to the system when you want firm power, could get even bigger. As that most likely will be in pipes placed inside the ditches, it has little or no impact physically but could be quite significant in terms of power output.

Finding ways to support farmers and agriculture is critical and this bill will provide an important way to do so. With the changes noted above, I urge you to approve this measure.

Thank you for the opportunity to testify.

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, February 22, 2015 6:56 PM
To: CPCtestimony
Cc: amybrinker@mac.com
Subject: *Submitted testimony for HB1273 on Feb 25, 2015 14:30PM*

HB1273

Submitted on: 2/22/2015

Testimony for CPC on Feb 25, 2015 14:30PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Amy Brinker	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

From: mailinglist@capitol.hawaii.gov
Sent: Friday, February 20, 2015 5:16 PM
To: CPCtestimony
Cc: mendezj@hawaii.edu
Subject: *Submitted testimony for HB1273 on Feb 25, 2015 14:30PM*

HB1273

Submitted on: 2/20/2015

Testimony for CPC on Feb 25, 2015 14:30PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

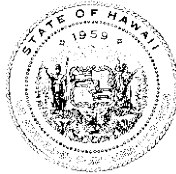
Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

DAVID Y. IGE
Governor

SHAN S. TSUTSUI
Lieutenant Governor

LUIS P. SALAVERIA
Director

MARY ALICE EVANS
Acting Deputy Director



LAND USE COMMISSION
Department of Business, Economic Development & Tourism
State of Hawai'i

LATE

DANIEL ORODENKER
Executive Officer

Bert K. Saruwatari
Planner

SCOTT A.K. DERRICKSON AICP
Planner

RILEY K. HAKODA
Chief Clerk/Planner

FRED A. TALON
Drafting Technician

Statement of
Daniel E. Orodenker
Executive Officer
Land Use Commission
Before the
Senate Committee on Consumer Protection and Commerce
February 25, 2015
2:30 PM
State Capitol, Conference Room 325

In consideration of
HB 1273 HD1
RELATING TO RENEWABLE ENERGY

Chair McKelvey, Vice Chair Woodson, and members of the Committee on Consumer Protection and Commerce:

The Land Use Commission would like to provide the following comments on HB 1273 that would make hydroelectric facilities, including the appurtenances associated with production and transmission, a permissible use under Sections 205-2 and 205-4.5, Hawai'i Revised Statutes (HRS):

In Section 1 of this bill the Legislature recognizes "...that Hawai'i's agricultural land is a fundamentally important and diminishing resource..." Currently, hydroelectric facilities being developed within the State Agricultural District would be required to go through the State Special Permit process. During this process a broad spectrum of both county and State interests must be addressed, to include but not limited to: public trust resources like water and Native Hawaiian traditional and customary practices.

Should hydroelectric facilities become a permissible use, the Special Permit process would not be required. It is unclear whether any other permit processes that might be required (such as an instream flow permit or stream alteration permit) would provide the same level of review and protection.

We are not aware of any recent cases of hydroelectric facilities being developed within the State Agricultural District that have had any difficulties with the State Special Permit process. Therefore it is unclear what specific problem this bill is attempting to address.

Thank you for the opportunity to testify on this matter.